

STATE OF ILLINOIS

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Facility Name & ID Number Lexington Health Care Center-Lombard# 0028860 Report Period Beginning: 1/1/03 Ending: 12/31/03

III. STATISTICAL DATA

A. Licensure/certification level(s) of care; enter number of beds/bed days,
(must agree with license). Date of change in licensed bedsN/A

	1	2	3	4	
	Beds at Beginning of Report Period	Licensure Level of Care	Beds at End of Report Period	Licensed Bed Days During Report Period	
1	<u>224</u>	Skilled (SNF)	<u>224</u>	<u>81,760</u>	1
2		Skilled Pediatric (SNF/PED)			2
3		Intermediate (ICF)			3
4		Intermediate/DD			4
5		Sheltered Care (SC)			5
6		ICF/DD 16 or Less			6
7	<u>224</u>	TOTALS	<u>224</u>	<u>81,760</u>	7

B. Census-For the entire report period.

	1	2	3	4	5	
	Level of Care	Patient Days by Level of Care and Primary Source of Payment				
		Public Aid Recipient	Private Pay	Other	Total	
8	SNF	<u>28,869</u>	<u>11,672</u>	<u>9,516</u>	<u>50,057</u>	8
9	SNF/PED					9
10	ICF	<u>10,519</u>	<u>15,192</u>	<u>143</u>	<u>25,854</u>	10
11	ICF/DD					11
12	SC					12
13	DD 16 OR LESS					13
14	TOTALS	<u>39,388</u>	<u>26,864</u>	<u>9,659</u>	<u>75,911</u>	14

C. Percent Occupancy. (Column 5, line 14 divided by total licensed
bed days on line 7, column 4.) 92.85%

D. How many bed-hold days during this year were paid by Public Aid?

110 (Do not include bed-hold days in Section B.)E. List all services provided by your facility for non-patients.
(E.g., day care, "meals on wheels", outpatient therapy)None

F. Does the facility maintain a daily midnight census?

YesG. Do pages 3 & 4 include expenses for services or
investments not directly related to patient care?YES ☒NO ☐Non-allowable costs have been
eliminated in Schedule V, Column 7

H. Does the BALANCE SHEET (page 17) reflect any non-care assets?

YES ☐NO ☒

I. On what date did you start providing long term care at this location?

Date started 10/09/1984

J. Was the facility purchased or leased after January 1, 1978?

YES ☐Date New constructionNO ☒

K. Was the facility certified for Medicare during the reporting year?

YES ☒NO ☐

If YES, enter number

of beds certified 46 and days of care provided 8,447Medicare Intermediary AdminaStar Federal

IV. ACCOUNTING BASIS

ACCRUAL ☒

MODIFIED

CASH* ☐CASH* ☐

Is your fiscal year identical to your tax year?

YES ☒ NO ☐Tax Year: 12/31/03 Fiscal Year: 12/31/03

* All facilities other than governmental must report on the accrual basis.

SEE ACCOUNTANTS' COMPILATION REPORT

STATE OF ILLINOIS

Page 3

Facility Name & ID Number Lexington Health Care Center-Lombard # 0028860 Report Period Beginning: 1/1/03 Ending: 12/31/03

V. COST CENTER EXPENSES (throughout the report, please round to the nearest dollar)

	Operating Expenses	Costs Per General Ledger				Reclassification 5	Reclassified Total 6	Adjust- ments 7**	Adjusted Total 8	FOR OHF USE ONLY	
		Salary/Wage 1	Supplies 2	Other 3	Total 4					9	10
	A. General Services										
1	Dietary	340,432	31,494	12,891	384,817		384,817		384,817		1
2	Food Purchase		297,330		297,330		297,330	(11,885)	285,445		2
3	Housekeeping	266,608	34,758		301,366		301,366	390	301,756		3
4	Laundry	76,813	22,191		99,004		99,004	(14,179)	84,825		4
5	Heat and Other Utilities			243,366	243,366		243,366	3,911	247,277		5
6	Maintenance	72,785		106,693	179,478		179,478	5,269	184,747		6
7	Other (specify):*										7
8	TOTAL General Services	756,638	385,773	362,950	1,505,361		1,505,361	(16,494)	1,488,867		8
	B. Health Care and Programs										
9	Medical Director			24,000	24,000		24,000		24,000		9
10	Nursing and Medical Records	3,161,092	207,114	43,537	3,411,743		3,411,743		3,411,743		10
10a	Therapy			797,727	797,727		797,727		797,727		10a
11	Activities	228,968	16,897	3,349	249,214		249,214		249,214		11
12	Social Services	83,749		2,203	85,952		85,952		85,952		12
13	Nurse Aide Training										13
14	Program Transportation										14
15	Other (specify):*										15
16	TOTAL Health Care and Programs	3,473,809	224,011	870,816	4,568,636		4,568,636		4,568,636		16
	C. General Administration										
17	Administrative	206,645		468,967	675,612		675,612	(468,967)	206,645		17
18	Directors Fees										18
19	Professional Services			54,109	54,109		54,109	9,566	63,675		19
20	Dues, Fees, Subscriptions & Promotions			16,357	16,357		16,357	856	17,213		20
21	Clerical & General Office Expenses	555,000	39,187	24,916	619,103		619,103	22,716	641,819		21
22	Employee Benefits & Payroll Taxes			699,127	699,127		699,127	80,419	779,546		22
23	Inservice Training & Education										23
24	Travel and Seminar			4,492	4,492		4,492	2,968	7,460		24
25	Other Admin. Staff Transportation							9,803	9,803		25
26	Insurance-Prop.Liab.Malpractice			196,332	196,332		196,332	3,839	200,171		26
27	Other (specify):*										27
28	TOTAL General Administration	761,645	39,187	1,464,300	2,265,132		2,265,132	(338,800)	1,926,332		28
29	TOTAL Operating Expense (sum of lines 8, 16 & 28)	4,992,092	648,971	2,698,066	8,339,129		8,339,129	(355,294)	7,983,835		29

* Attach a schedule if more than one type of cost is included on this line, or if the total exceeds \$1000.

SEE ACCOUNTANTS' COMPILATION REPORT

NOTE: Include a separate schedule detailing the reclassifications made in column 5. Be sure to include a detailed explanation of each reclassification.

** See schedule of adjustments attached at end of cost report.

V. COST CENTER EXPENSES (continued)

	Capital Expense	Cost Per General Ledger				Reclass- ification 5	Reclassified Total 6	Adjust- ments 7**	Adjusted Total 8	FOR OHF USE ONLY		
		Salary/Wage 1	Supplies 2	Other 3	Total 4					9	10	
	D. Ownership											
30	Depreciation			110,242	110,242		110,242	145,870	256,112			30
31	Amortization of Pre-Op. & Org.											31
32	Interest			8,502	8,502		8,502	194,746	203,248			32
33	Real Estate Taxes							141,604	141,604			33
34	Rent-Facility & Grounds			1,339,680	1,339,680		1,339,680	(1,339,680)				34
35	Rent-Equipment & Vehicles			9,971	9,971		9,971	4,256	14,227			35
36	Other (specify):*											36
37	TOTAL Ownership			1,468,395	1,468,395		1,468,395	(853,204)	615,191			37
	Ancillary Expense											
	E. Special Cost Centers											
38	Medically Necessary Transportation											38
39	Ancillary Service Centers		225,319		225,319		225,319		225,319			39
40	Barber and Beauty Shops			44,570	44,570		44,570		44,570			40
41	Coffee and Gift Shops			2,121	2,121		2,121		2,121			41
42	Provider Participation Fee			122,640	122,640		122,640		122,640			42
43	Other (specify):* Nonallowable Costs			81,927	81,927		81,927	(81,927)				43
44	TOTAL Special Cost Centers		225,319	251,258	476,577		476,577	(81,927)	394,650			44
45	GRAND TOTAL COST (sum of lines 29, 37 & 44)	4,992,092	874,290	4,417,719	10,284,101		10,284,101	(1,290,425)	8,993,676			45

*Attach a schedule if more than one type of cost is included on this line, or if the total exceeds \$1000.

**See schedule of adjustments attached at end of cost report.

SEE ACCOUNTANTS' COMPILATION REPORT

	1	2	3	
	Amount	Refer-	OHF USE	
		ence	ONLY	
NON-ALLOWABLE EXPENSES				
1 Day Care	\$		\$	1
2 Other Care for Outpatients				2
3 Governmental Sponsored Special Programs				3
4 Non-Patient Meals	(78)	2		4
5 Telephone, TV & Radio in Resident Rooms				5
6 Rented Facility Space				6
7 Sale of Supplies to Non-Patients				7
8 Laundry for Non-Patients	(14,179)	4		8
9 Non-Straightline Depreciation	1,178	30		9
10 Interest and Other Investment Income	(13)	32		10
11 Discounts, Allowances, Rebates & Refunds				11
12 Non-Working Officer's or Owner's Salary				12
13 Sales Tax	(1,933)	43		13
14 Non-Care Related Interest				14
15 Non-Care Related Owner's Transactions				15
16 Personal Expenses (Including Transportation)				16
17 Non-Care Related Fees	(1,381)	43		17
18 Fines and Penalties				18
19 Entertainment				19
20 Contributions	(50)	43		20
21 Owner or Key-Man Insurance				21
22 Special Legal Fees & Legal Retainers				22
23 Malpractice Insurance for Individuals				23
24 Bad Debt	(20,748)	43		24
25 Fund Raising, Advertising and Promotional	(11,342)	43		25
26 Income Taxes and Illinois Personal Property Replacement Tax	(49,932)	43		26
27 Nurse Aide Training for Non-Employees				27
28 Yellow Page Advertising				28
29 Other-Attach Schedule See Schedule A	(11,018)			29
30 SUBTOTAL (A): (Sum of lines 1-29)	\$ (109,496)		\$	30

OHF USE ONLY						
48		49	50	51	52	

B. If there are expenses experienced by the facility which do not appear in the general ledger, they should be entered below.(See instructions.)

	1	2	
	Amount	Reference	
31 Non-Paid Workers-Attach Schedule*	\$		31
32 Donated Goods-Attach Schedule*			32
33 Amortization of Organization & Pre-Operating Expense			33
34 Adjustments for Related Organization Costs (Schedule VII)	(1,180,929)		34
35 Other- Attach Schedule			35
36 SUBTOTAL (B): (sum of lines 31-35)	\$ (1,180,929)		36
(sum of SUBTOTALS			
37 TOTAL ADJUSTMENTS (A) and (B))	\$ (1,290,425)		37

*These costs are only allowable if they are necessary to meet minimum licensing standards. Attach a schedule detailing the items included on these lines.

C. Are the following expenses included in Sections A to D of pages 3 and 4? If so, they should be reclassified into Section E. Please reference the line on which they appear before reclassification.
(See instructions.)

	1	2	3	4	
	Yes	No	Amount	Reference	
38 Medically Necessary Transport.		X	\$		38
39					39
40 Gift and Coffee Shops		X			40
41 Barber and Beauty Shops		X			41
42 Laboratory and Radiology		X			42
43 Prescription Drugs		X			43
44 Exceptional Care Program		X			44
45 Other-Attach Schedule		X			45
46 Other-Attach Schedule		X			46
47 TOTAL (C): (sum of lines 38-46)			\$		47

SEE ACCOUNTANTS' COMPILATION REPORT

Lexington Health Care Center of Lombard, Inc.

Provider # 0028860

1/1/2003-12/31/2003

Schedule A

Schedule VI. Adjustment detail

Line 29, Other

Description	Amount	Reference
Miscellaneous income offset	(1,974.00)	21
Disallow radiology	(5,530.00)	43
Disallow laboratory	(3,943.00)	43
Amortized deferred maintenance	2,781.00	6
Non-allowable collection fees	(2,066.00)	19
Disallow out of period legal fees	(286.00)	19
Total	(11,018.00)	

See Accountants' Compilation Report

Lexington Health Care Center-LombardID# 0028860Report Period Beginning: 1/1/03Ending: 12/31/03

Sch. V Line

NON-ALLOWABLE EXPENSES		Amount	Reference
1		\$	1
2			2
3			3
4			4
5			5
6			6
7			7
8			8
9			9
10			10
11			11
12			12
13			13
14			14
15			15
16			16
17			17
18			18
19			19
20			20
21			21
22			22
23			23
24			24
25			25
26			26
27			27
28			28
29			29
30			30
31			31
32			32
33			33
34			34
35			35
36			36
37			37
38			38
39			39
40			40
41			41
42			42
43			43
44			44
45			45
46			46
47			47
48			48
49	Total	0	49

See Accountants' Compilation Report

STATE OF ILLINOIS

Summary A

Facility Name & ID Number Lexington Health Care Center-Lombard# 0028860

Report Period Beginning:

1/1/03

Ending:

12/31/03

SUMMARY OF PAGES 5, 5A, 6, 6A, 6B, 6C, 6D, 6E, 6F, 6G, 6H AND 6I

	Operating Expenses	PAGES 5 & 5A	PAGE 6	PAGE 6A	PAGE 6B	PAGE 6C	PAGE 6D	PAGE 6E	PAGE 6F	PAGE 6G	PAGE 6H	PAGE 6I	SUMMARY TOTALS (to Sch V, col.7)	
	A. General Services													
1	Dietary	0	0	0	0	0	0	0	0	0	0	0	0	1
2	Food Purchase	(78)	0	0	0	0	0	0	0	0	0	0	(78)	2
3	Housekeeping	0	0	390	0	0	0	0	0	0	0	0	390	3
4	Laundry	(14,179)	0	0	0	0	0	0	0	0	0	0	(14,179)	4
5	Heat and Other Utilities	0	0	3,911	0	0	0	0	0	0	0	0	3,911	5
6	Maintenance	0	0	2,488	0	0	0	0	0	0	0	0	2,488	6
7	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	7
8	TOTAL General Services	(14,257)	0	6,789	0	0	0	0	0	0	0	0	(7,468)	8
	B. Health Care and Programs													
9	Medical Director	0	0	0	0	0	0	0	0	0	0	0	0	9
10	Nursing and Medical Records	0	0	0	0	0	0	0	0	0	0	0	0	10
10a	Therapy	0	0	0	0	0	0	0	0	0	0	0	0	10a
11	Activities	0	0	0	0	0	0	0	0	0	0	0	0	11
12	Social Services	0	0	0	0	0	0	0	0	0	0	0	0	12
13	Nurse Aide Training	0	0	0	0	0	0	0	0	0	0	0	0	13
14	Program Transportation	0	0	0	0	0	0	0	0	0	0	0	0	14
15	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	15
16	TOTAL Health Care and Programs	0	0	0	0	0	0	0	0	0	0	0	0	16
	C. General Administration													
17	Administrative	0	0	0	(468,967)	0	0	0	0	0	0	0	(468,967)	17
18	Directors Fees	0	0	0	0	0	0	0	0	0	0	0	0	18
19	Professional Services	0	318	11,600	0	0	0	0	0	0	0	0	11,918	19
20	Fees, Subscriptions & Promotions	0	0	856	0	0	0	0	0	0	0	0	856	20
21	Clerical & General Office Expenses	0	450	24,240	0	0	0	0	0	0	0	0	24,690	21
22	Employee Benefits & Payroll Taxes	0	0	68,612	0	0	0	0	0	0	0	0	68,612	22
23	Inservice Training & Education	0	0	0	0	0	0	0	0	0	0	0	0	23
24	Travel and Seminar	0	0	2,968	0	0	0	0	0	0	0	0	2,968	24
25	Other Admin. Staff Transportation	0	0	0	9,803	0	0	0	0	0	0	0	9,803	25
26	Insurance-Prop.Liab.Malpractice	0	0	0	3,839	0	0	0	0	0	0	0	3,839	26
27	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	27
28	TOTAL General Administration	0	768	108,276	(455,325)	0	0	0	0	0	0	0	(346,281)	28
29	TOTAL Operating Expense (sum of lines 8,16 & 28)	(14,257)	768	115,065	(455,325)	0	0	0	0	0	0	0	(353,749)	29

Summary B

SUMMARY OF PAGES 5, 5A, 6, 6A, 6B, 6C, 6D, 6E, 6F, 6G, 6H AND 6I

[illegible]

Facility Name & ID Number Lexington Health Care Center-Lombard # 0028860 Report Period Beginning: 1/1/03 Ending: 12/31/03

VII. RELATED PARTIES

A. Enter below the names of ALL owners and related organizations (parties) as defined in the instructions. Attach an additional schedule if necessary.

1 OWNERS		2 RELATED NURSING HOMES		3 OTHER RELATED BUSINESS ENTITIES		
Name	Ownership %	Name	City	Name	City	Type of Business
James Samatas	33.33%			Lexington Health		
John Samatas	33.33%	See Attached Schedule B	See Attached	Care Systems of		
Cynthia Thiem	33.34%		Schedule B	Lombard Ltd. Ptsp.	Lombard	Real Estate Ptsp.
				Royal Mgmt. Corp.	Lombard	Mgmt. Co.

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth. ☒ YES ☐ NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:
Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)
1	V	34 Rental expense	\$ 1,339,680	Lexington Health Care Systems of Lombard Ltd. Ptsp.	**	\$	\$ (1,339,680) 1
2	V	19 Professional fees		Lexington Health Care Systems of Lombard Ltd. Ptsp.	**	318	318 2
3	V	21 Bank charges		Lexington Health Care Systems of Lombard Ltd. Ptsp.	**	450	450 3
4	V	30 Depreciation		Lexington Health Care Systems of Lombard Ltd. Ptsp.	**	112,701	112,701 4
5	V	32 Interest expense		Lexington Health Care Systems of Lombard Ltd. Ptsp.	**	191,948	191,948 5
6	V	32 Amortization of mortgage costs		Lexington Health Care Systems of Lombard Ltd. Ptsp.	**	2,454	2,454 6
7	V	33 Property taxes		Lexington Health Care Systems of Lombard Ltd. Ptsp.	**	139,680	139,680 7
8	V	43 State replacement tax		Lexington Health Care Systems of Lombard Ltd. Ptsp.	**	12,932	12,932 8
9	V						9
10	V						10
11	V			** - The owners of Lexington Health Care Center of Lombard, Inc. own			11
12	V			100% of Lexington Health Care Systems of Lombard Limited Partnership			12
13	V						13
14	Total		\$ 1,339,680			\$ 460,483	\$ * (879,197) 14

* Total must agree with the amount recorded on line 34 of Schedule VI.

SEE ACCOUNTANTS' COMPILATION REPORT

Lexington Health Care Center of Lombard, Inc.

Provider # 0028660

1/1/03 - 12/31/03

Schedule B

VII. Related Parties

Related Nursing Homes

<u>Name of facility</u>	<u>City</u>
Lexington Health Care Center of Schaumburg, Inc.	Schaumburg
Lexington Health Care Center of Bloomingdale, Inc.	Bloomington
Lexington Health Care Center of Chicago Ridge, Inc.	Chicago Ridge
Lexington Health Care Center of Elmhurst, Inc.	Elmhurst
Lexington Health Care Center of LaGrange, Inc.	LaGrange
Lexington Health Care Center of Lake Zurich, Inc.	Lake Zurich
Lexington Health Care Center of Streamwood, Inc.	Streamwood
Lexington Health Care Center of Wheeling, Inc.	Wheeling
Lexington Health Care Center of Orland Park, Inc.	Orland Park

See Accountants' Compilation Report

Facility Name & ID Number Lexington Health Care Center-Lombard

0028860

Report Period Beginning: 1/1/03

Ending: 12/31/03

VII. RELATED PARTIES (continued)

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth.

☒

YES

☐

NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:
Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)
15	V	3 Housekeeping supplies	\$	Royal Management Corp.	**	\$ 390	\$ 390
16	V	5 Utilities - gas & electric		Royal Management Corp.	**	3,841	3,841
17	V	5 Utilities - water & sewer		Royal Management Corp.	**	70	70
18	V	6 Repairs & maintenance		Royal Management Corp.	**	2,416	2,416
19	V	6 Scavenger & exterminating		Royal Management Corp.	**	72	72
20	V	19 Computer consultant & supplies		Royal Management Corp.	**	8,740	8,740
21	V	19 Professional fees		Royal Management Corp.	**	2,860	2,860
22	V	20 Advertising - help wanted		Royal Management Corp.	**	194	194
23	V	20 Dues & subscriptions		Royal Management Corp.	**	662	662
24	V	21 Bank charges		Royal Management Corp.	**	3,360	3,360
25	V	21 Office supplies & printing		Royal Management Corp.	**	7,675	7,675
26	V	21 Postage		Royal Management Corp.	**	3,452	3,452
27	V	21 Telephone		Royal Management Corp.	**	9,753	9,753
28	V	22 FICA		Royal Management Corp.	**	30,989	30,989
29	V	22 FUTA		Royal Management Corp.	**	557	557
30	V	22 SUTA		Royal Management Corp.	**	964	964
31	V	22 Insurance - W/C		Royal Management Corp.	**	587	587
32	V	22 Insurance - hospitalization		Royal Management Corp.	**	30,626	30,626
33	V	22 401(k) and other emp. benefits		Royal Management Corp.	**	4,889	4,889
34	V	24 Travel & seminar		Royal Management Corp.	**	2,968	2,968
35	V						
36	V						
37	V						
38	V	**Certain owners of Lexington Health Care Center of Lombard, Inc. own 100% of Royal Management Corp.					
39	Total		\$			\$ 115,065	\$ * 115,065

* Total must agree with the amount recorded on line 34 of Schedule VI.

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lexington Health Care Center-Lombard

0028860

Report Period Beginning: 1/1/03

Ending: 12/31/03

VII. RELATED PARTIES (continued)

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth.

☒

YES

☐

NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:
Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)
15	V	25 Auto expense	\$	Royal Management Corp.	**	\$ 9,803	\$ 9,803
16	V	26 Insurance general		Royal Management Corp.	**	3,839	3,839
17	V	30 Depreciation - vehicles		Royal Management Corp.	**	3,400	3,400
18	V	30 Depreciation - leasehold improv.		Royal Management Corp.	**	7,950	7,950
19	V	30 Depreciation - equipment		Royal Management Corp.	**	20,641	20,641
20	V	32 Interest		Royal Management Corp.	**	357	357
21	V	33 Property taxes		Royal Management Corp.	**	1,924	1,924
22	V	35 Equipment rental		Royal Management Corp.	**	4,256	4,256
23	V	17 Management fees	468,967	Royal Management Corp.	**		(468,967)
24	V						
25	V						
26	V						
27	V						
28	V						
29	V						
30	V						
31	V						
32	V						
33	V						
34	V						
35	V						
36	V						
37	V						
38	V	**Certain owners of Lexington Health Care Center of Lombard, Inc. own 100% of Royal Management Corp.					
39	Total		\$ 468,967			\$ 52,170	\$ * (416,797)

* Total must agree with the amount recorded on line 34 of Schedule VI.

SEE ACCOUNTANTS' COMPILATION REPORT

STATE OF ILLINOIS

Page 7

Facility Name & ID Number Lexington Health Care Center-Lombard # 0028860 Report Period Beginning: 1/1/03 Ending: 12/31/03

VII. RELATED PARTIES (continued)

C. Statement of Compensation and Other Payments to Owners, Relatives and Members of Board of Directors.

NOTE: ALL owners (even those with less than 5% ownership) and their relatives who receive any type of compensation from this home must be listed on this schedule.

	1 Name	2 Title	3 Function	4 Ownership Interest	5 Compensation Received From Other Nursing Homes*	6 Average Hours Per Work Week Devoted to this Facility and % of Total Work Week		7 Compensation Included in Costs for this Reporting Period**		8 Schedule V. Line & Column Reference	
						Hours	Percent	Description	Amount		
1	James Samatas	Owner/officer	Administrative	33.33%	See Schedule C	4	8%	Salary	\$ 35,468	L 17, C 1	1
2	John Samatas	Owner/officer	Admin/Plant Ops.	33.33%	See Schedule C	3	6%	Salary	22,167	L 17, C 1	2
3	Cynthia Thiem	Owner/officer	Administrative	33.34%	See Schedule C	2	5%	Salary	17,734	L 17, C 1	3
4	George Samatas	Officer	Administrative	0.00%	See Schedule C	2	4%	Salary	5,320	L 17, C 1	4
5	Jason Samatas	VP of Operations	Administrative	0.00%	See Schedule C	6	12%	Salary	13,522	L 17, C 1	5
6											6
7											7
8						All individuals work in excess of 40 hours per week.					8
9											9
10											10
11											11
12											12
13								TOTAL	\$ 94,211		13

* If the owner(s) of this facility or any other related parties listed above have received compensation from other nursing homes, attach a schedule detailing the name(s) of the home(s) as well as the amount paid. THIS AMOUNT MUST AGREE TO THE AMOUNTS CLAIMED ON THE THE OTHER NURSING HOMES' COST REPORTS.

** This must include all forms of compensation paid by related entities and allocated to Schedule V of this report (i.e., management fees). FAILURE TO PROPERLY COMPLETE THIS SCHEDULE INDICATING ALL FORMS OF COMPENSATION RECEIVED FROM THIS HOME, ALL OTHER NURSING HOMES AND MANAGEMENT COMPANIES MAY RESULT IN THE DISALLOWANCE OF SUCH COMPENSATION

SEE ACCOUNTANTS' COMPILATION REPORT

Lexington Health Care Center of Lombard, Inc.

Provider # 0028660

1/1/03 - 12/31/03

Schedule C

VII. Related Parties

C. Statement of Compensation and Other Payments to Owners, Relatives
and Members of the Board of Directors

5. Compensation Received From Other Nursing Homes

<u>Name of facility</u>	<u>John Samatas</u>	<u>James Samatas</u>	<u>Cynthia Thiem</u>	<u>George Samatas</u>	<u>Jason Samatas</u>	<u>Total</u>
Lexington Health Care Center of Bloomingdale, Inc.	17,021	27,234	13,617	4,085	10,383	72,340
Lexington Health Care Center of Chicago Ridge, Inc.	22,167	35,468	17,734	5,320	13,522	94,211
Lexington Health Care Center of Elmhurst, Inc.	14,844	23,751	11,875	3,563	9,055	63,088
Lexington Health Care Center of LaGrange, Inc.	10,787	17,259	8,629	2,589	6,580	45,844
Lexington Health Care Center of Lake Zurich, Inc.	20,089	32,143	16,071	4,821	12,254	85,378
Lexington Health Care Center of Orland Park, Inc.	26,721	42,748	21,376	6,413	16,298	113,556
Lexington Health Care Center of Schaumburg, Inc.	22,167	35,468	17,734	5,320	13,522	94,211
Lexington Health Care Center of Streamwood, Inc.	22,167	35,468	17,734	5,320	13,522	94,211
Lexington Health Care Center of Wheeling, Inc.	21,870	34,993	17,496	5,249	13,342	92,950
Total	177,833	284,532	142,266	42,680	108,478	755,789

See Accountants' Compilation Report

Facility Name & ID Number Lexington Health Care Center-Lombard# 0028860Report Period Beginning: 1/1/03Ending: 12/31/03

VIII. ALLOCATION OF INDIRECT COSTS

A. Are there any costs included in this report which were derived from allocations of central office or parent organization costs? (See instructions.) YES ☒ NO ☐

Name of Related Organization Royal Management Corp.Street Address 665 W. North Avenue, Suite 500City / State / Zip Code Lombard, IL 60148Phone Number (630) 458-4700Fax Number (630) 458-4796

B. Show the allocation of costs below. If necessary, please attach worksheets.

1	2	3	4	5	6	7	8	9	
Schedule V Line Reference	Item	Unit of Allocation (i.e., Days, Direct Cost, Square Feet)	Total Units	Number of Subunits Being Allocated Among	Total Indirect Cost Being Allocated	Amount of Salary Cost Contained in Column 6	Facility Units	Allocation (col.8/col.4)x col.6	
1	3	Housekeeping supplies	Bed Days	737,665	10	\$ 3,521	\$ 81,760	\$ 390	1
2	5	Utilities - gas & electric	Bed Days	737,665	10	34,652	81,760	3,841	2
3	5	Utilities - water & sewer	Bed Days	737,665	10	635	81,760	70	3
4	6	Repairs & maintenance	Bed Days	737,665	10	21,802	81,760	2,416	4
5	6	Scavenger & exterminating	Bed Days	737,665	10	648	81,760	72	5
6	19	Computer consultant & supplies	Bed Days	737,665	10	78,852	81,760	8,740	6
7	19	Professional fees	Bed Days	737,665	10	25,806	81,760	2,860	7
8	20	Advertising - help wanted	Bed Days	737,665	10	1,748	81,760	194	8
9	20	Dues & subscriptions	Bed Days	737,665	10	5,976	81,760	662	9
10	21	Bank charges	Bed Days	737,665	10	30,319	81,760	3,360	10
11	21	Office supplies & printing	Bed Days	737,665	10	69,243	81,760	7,675	11
12	21	Postage	Bed Days	737,665	10	31,145	81,760	3,452	12
13	21	Telephone	Bed Days	737,665	10	87,995	81,760	9,753	13
14	22	FICA	Bed Days	737,665	10	279,595	81,760	30,989	14
15	22	FUTA	Bed Days	737,665	10	5,021	81,760	557	15
16	22	SUTA	Bed Days	737,665	10	8,695	81,760	964	16
17	22	Insurance - W/C	Bed Days	737,665	10	5,294	81,760	587	17
18	22	Insurance - hospitalization	Bed Days	737,665	10	276,319	81,760	30,626	18
19	22	401(k) and other emp. benefits	Bed Days	737,665	10	44,113	81,760	4,889	19
20	24	Travel & seminar	Bed Days	737,665	10	26,781	81,760	2,968	20
21									21
22									22
23									23
24									24
25	TOTALS					\$ 1,038,160	\$	\$ 115,065	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lexington Health Care Center-Lombard# 0028860Report Period Beginning: 1/1/03Ending: 12/31/03

VIII. ALLOCATION OF INDIRECT COSTS

A. Are there any costs included in this report which were derived from allocations of central office or parent organization costs? (See instructions.) YES ☒ NO ☐

Name of Related Organization Royal Management Corp.
 Street Address 665 W. North Avenue, Suite 500
 City / State / Zip Code Lombard, IL 60148
 Phone Number (630) 458-4700
 Fax Number (630) 458-4796

B. Show the allocation of costs below. If necessary, please attach worksheets.

1	2	3	4	5	6	7	8	9	
Schedule V Line Reference	Item	Unit of Allocation (i.e., Days, Direct Cost, Square Feet)	Total Units	Number of Subunits Being Allocated Among	Total Indirect Cost Being Allocated	Amount of Salary Cost Contained in Column 6	Facility Units	Allocation (col.8/col.4)x col.6	
1	25	Auto expense	Bed Days	737,665	10	\$ 88,444	\$ 81,760	\$ 9,803	1
2	26	Insurance - general	Bed Days	737,665	10	34,634	81,760	3,839	2
3	30	Depreciation - vehicles	Bed Days	737,665	10	30,679	81,760	3,400	3
4	30	Depreciation - leasehold improv.	Bed Days	737,665	10	71,727	81,760	7,950	4
5	30	Depreciation - equipment	Bed Days	737,665	10	186,226	81,760	20,641	5
6	32	Interest	Bed Days	737,665	10	3,219	81,760	357	6
7	33	Property taxes	Bed Days	737,665	10	17,360	81,760	1,924	7
8	35	Equipment rental	Bed Days	737,665	10	38,401	81,760	4,256	8
9									9
10									10
11									11
12									12
13									13
14									14
15									15
16									16
17									17
18									18
19									19
20									20
21									21
22									22
23									23
24									24
25	TOTALS					\$ 470,690	\$	\$ 52,170	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lexington Health Care Center-Lombard# 0028860

Report Period Beginning:

1/1/03

Ending:

12/31/03

IX. INTEREST EXPENSE AND REAL ESTATE TAX EXPENSE

A. Interest: (Complete details must be provided for each loan - attach a separate schedule if necessary.)

1		2		3	4	5	6		7	8	9	10	
	Name of Lender	Related**		Purpose of Loan	Monthly Payment Required	Date of Note	Amount of Note		Maturity Date	Interest Rate (4 Digits)	Reporting Period Interest Expense		
		YES	NO				Original	Balance					
	A. Directly Facility Related												
	Long-Term												
1	GMAC		X	Mortgage	\$39,766.00	4/11/94	\$ 3,978,766	\$ 2,052,704	4/11/09	0.0875	\$ 191,948	1	
2												2	
3												3	
4												4	
5												5	
	Working Capital												
6	LaSalle Bank, N.A.		X	Line of Credit	Varies	04/06/02	750,000	None	04/04/04	Prime	8,502	6	
7												7	
8												8	
9	TOTAL Facility Related				\$39,766.00		\$ 4,728,766	\$ 2,052,704			\$ 200,450	9	
	B. Non-Facility Related*												
10								Interest income offset			(13)	10	
11								Amortization of mortgage costs			2,454	11	
12								Allocation from management company			357	12	
13												13	
14	TOTAL Non-Facility Related						\$	\$			\$ 2,798	14	
15	TOTALS (line 9+line14)						\$ 4,728,766	\$ 2,052,704			\$ 203,248	15	

16) Please indicate the total amount of mortgage insurance expense and the location of this expense on Sch. V. \$ N/A Line # N/A* Any interest expense reported in this section should be adjusted out on page 5, line 14 and, consequently, page 4, col. 7.
(See instructions.)

SEE ACCOUNTANTS' COMPILATION REPORT

** If there is ANY overlap in ownership between the facility and the lender, this must be indicated in column 2.
(See instructions.)

Facility Name & ID Number **Lexington Health Care Center-Lombard**# **0028860**

Report Period Beginning:

1/1/03

Ending:

12/31/03**IX. INTEREST EXPENSE AND REAL ESTATE TAX EXPENSE (continued)****B. Real Estate Taxes**

		Important , please see the next worksheet, "RE_Tax". The real estate tax statement and bill must accompany the cost report.		
1. Real Estate Tax accrual used on 2002 report.			\$ 141,000	1
		Allocated from management company	1,924	
2. Real Estate Taxes paid during the year: (Indicate the tax year to which this payment applies. If payment covers more than one year, detail below.)	2002		\$ 141,180	2
3. Under or (over) accrual (line 2 minus line 1).			\$ 2,104	3
4. Real Estate Tax accrual used for 2003 report. (Detail and explain your calculation of this accrual on the lines below.)			\$ 139,500	4
5. Direct costs of an appeal of tax assessments which has NOT been included in professional fees or other general operating costs on Schedule V, sections A, B or C. (Describe appeal cost below. Attach copies of invoices to support the cost and a copy of the appeal filed with the county.)			\$	5
6. Subtract a refund of real estate taxes. You must offset the full amount of any direct appeal costs classified as a real estate tax cost plus one-half of any remaining refund. TOTAL REFUND \$ For Tax Year. (Attach a copy of the real estate tax appeal board's decision.)			\$	6
7. Real Estate Tax expense reported on Schedule V, line 33. This should be a combination of lines 3 thru 6.			\$ 141,604	7
Real Estate Tax History:				
Real Estate Tax Bill for Calendar Year:	1998	134,318	8	
	1999	135,483	9	
	2000	133,908	10	
	2001	137,587	11	
	2002	141,180	12	
2002 tax:	137,587			
Estimated increase:	10%			
Estimated 2003 taxes:	138,963			
Use:	139,500			
		FOR OHF USE ONLY		
13	FROM R. E. TAX STATEMENT FOR 2002	\$		13
14	PLUS APPEAL COST FROM LINE 5	\$		14
15	LESS REFUND FROM LINE 6	\$		15
16	AMOUNT TO USE FOR RATE CALCULATION	\$		16

NOTES:

1. Please indicate a negative number by use of brackets(). Deduct any overaccrual of taxes from prior year.
2. If facility is a non-profit which pays real estate taxes, you must attach a denial of an application for real estate tax exemption unless the building is rented from a for-profit entity.
This denial must be no more than four years old at the time the cost report is filed.

SEE ACCOUNTANTS' COMPILATION REPORT

IMPORTANT NOTICE

TO: Long Term Care Facilities with Real Estate Tax Rates RE: 2002 REAL ESTATE TAX COST DOCUMENTATION

In order to set the real estate tax portion of the capital rate, it is necessary that we obtain additional information regarding your calendar 2002 real estate tax costs, as well as copies of your real estate tax bills for calendar 2002.

Please complete the Real Estate Tax Statement below and forward with a copy of your 2002 real estate tax bill to the Department of Public Aid, Office of Health Finance, 201 South Grand Avenue East, Springfield, Illinois 62763.

Please send these items in with your completed 2003 cost report. The cost report will not be considered complete and timely filed until this statement and the corresponding real estate tax bills are filed. If you have any questions,

2002 LONG TERM CARE REAL ESTATE TAX STATEMENT

FACILITY NAME Lexington Health Care Center-Lombard COUNTY DuPage

FACILITY IDPH LICENSE NUMBER 0028860

CONTACT PERSON REGARDING THIS REPORT Susan Rojeck

TELEPHONE (630) 458-4700 FAX #: (630) 458-4795

A. Summary of Real Estate Tax Costs

Enter the tax index number and real estate tax assessed for 2002 on the lines provided below. Enter only the portion of the cost that applies to the operation of the nursing home in Column D. Real estate tax applicable to any portion of the nursing home property which is vacant, rented to other organizations, or used for purposes other than long term care must not be entered in Column D. Do not include cost for any period other than calendar year 2002.

(A)	(B)	(C)	(D) Tax Applicable to Nursing Home
<u>Tax Index Number</u>	<u>Property Description</u>	<u>Total Tax</u>	
1. <u>06-19-307-002</u>	<u>Land and building</u>	\$ <u>141,180.46</u>	\$ <u>141,180.46</u>
2. <u>Royal Management Corp. (Samvest of Lombard II)</u>		\$ _____	\$ _____
3. <u>05-01-202-019</u>	<u>Land and building</u>	\$ <u>212,239.00</u>	\$ <u>1,924.00</u>
4. _____	_____	\$ _____	\$ _____
5. _____	_____	\$ _____	\$ _____
6. _____	_____	\$ _____	\$ _____
7. _____	_____	\$ _____	\$ _____
8. _____	_____	\$ _____	\$ _____
9. _____	_____	\$ _____	\$ _____
10. _____	_____	\$ _____	\$ _____
TOTALS		\$ <u>353,419.46</u>	\$ <u>143,104.46</u>

B. Real Estate Tax Cost Allocation:

Does any portion of the tax bill apply to more than one nursing home, vacant property, or property which is not direct used for nursing home services? YES X NO

If YES, attach an explanation & a schedule which shows the calculation of the cost allocated to the nursing home (Generally the real estate tax cost must be allocated to the nursing home based upon sq. ft. of space used)

C. Tax Bills

Attach a copy of the 2002 tax bills which were listed in Section A to this statement. Be sure to use the 2002 tax bill which is normally paid during 2003.

See Accountants' Compilation Report

X. BUILDING AND GENERAL INFORMATION:

A. Square Feet: 78,770
 B. General Construction Type: Exterior Concrete Block
 Frame Steel
 Number of Stories 3

C. Does the Operating Entity?
 (a) Own the Facility
 (X) (b) Rent from a Related Organization.
 (c) Rent from Completely Unrelated Organization.

(Facilities checking (a) or (b) must complete Schedule XI. Those checking (c) may complete Schedule XI or Schedule XII-A. See instructions.)

D. Does the Operating Entity?
 (X) (a) Own the Equipment
 (X) (b) Rent equipment from a Related Organization.
 (X) (c) Rent equipment from Completely Unrelated Organization.

(Facilities checking (a) or (b) must complete Schedule XI-C. Those checking (c) may complete Schedule XI-C or Schedule XII-B. See instructions.)

E. List all other business entities owned by this operating entity or related to the operating entity that are located on or adjacent to this nursing home's ground: (such as, but not limited to, apartments, assisted living facilities, day training facilities, day care, independent living facilities, nurse aide training facilities, etc.) List entity name, type of business, square footage, and number of beds/units available (where applicable)

Lombard Lexington Square Life Care, Inc.: Retirement Community; 261 units; 309,000 square feet

F. Does this cost report reflect any organization or pre-operating costs which are being amortized?
 YES
 (X) NO
 If so, please complete the following:

1. Total Amount Incurred: N/A
 2. Number of Years Over Which it is Being Amortized: N/A
 3. Current Period Amortization: N/A
 4. Dates Incurred: N/A

Nature of Costs:

(Attach a complete schedule detailing the total amount of organization and pre-operating costs.)

XI. OWNERSHIP COSTS:

A. Land.

	1	2	3	4	
	Use	Square Feet	Year Acquired	Cost	
1	Resident Care	30,000	1984	\$ 616,761	1
2	Allocated from management company			17,683	2
3	TOTALS	30,000		\$ 634,444	3

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lexington Health Care Center-Lombard

0028860

Report Period Beginning:

1/1/03

Ending:

12/31/03

XI. OWNERSHIP COSTS (continued)**B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar**

1	2	3	4	5	6	7	8	9	
Beds*	FOR OHF USE ONLY	Year Acquired	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation
4	215	1984	1984	\$ 3,661,473	\$	35	\$ 104,614	\$ 104,614	\$ 2,011,628
5	9	1995	1995	284,156	8,119	35	8,119		69,009
6									
7									
8									
Improvement Type**									
9	Building Improvements	1990		96,217		10			96,217
10	Building Improvements	1991		71,493		10			71,493
11	Building Improvements	1994		20,200		10	2,020	2,020	19,190
12	Building Improvements	1995		14,535	415	35	415		3,530
13	Building Improvements - dishwasher hook	1996		2,748	275	10	275		2,061
14	Building Improvements - outside painting	1996		11,308	1,131	10	1,131		8,481
15	Building Improvements - dining room	1996		3,752	375	10	375		2,814
16	Leasehold Improvements	1992		16,299	466	35	466		5,357
17	Leasehold Improvements	1994		21,836	2,184	10	2,184		20,744
18	Leasehold Improvements - 2nd floor	1996		19,319	1,932	10	1,932		14,489
19	Leasehold Improvements - bathroom rehat	1996		9,216	922	10	922		6,913
20	Leasehold Improvements - fan coil repairs	1996		6,669	191	35	191		1,398
21	Land Improvements	1993		2,985	199	15	199		2,090
22	Land Improvements	1995		4,596	306	15	306		2,604
23	Capitalized Repairs	1986		1,730		10			1,730
24	Building Improvements - basement	1996		18,993	1,899	10	1,899		12,820
25	Leasehold Improvements - Corner Guards	1997		520	52	10	52		338
26	Leasehold Improvements - Corridor flooring	1997		10,381	1,038	10	1,038		6,747
27	BI: Kitchen Rehab	1998		2,494	249	10	249		1,371
28	Wiring for MDS project	1998		3,365	337	10	337		1,852
29	Install Fire Sprinklers in Mechanical Rms	1998		4,600	131	35	131		722
30	Tile for Lobby	1998		20,530	2,053	10	2,053		11,292
31	Walk in Freezers/Coolers	1998		3,182	91	35	91		500
32	Fire Wall Repairs	1998		12,410	355	35	355		1,951
33	Underground storage tank	1998		2,613		10	262	262	1,572
34	Repave parking lot	1999		7,625	508	15	508		2,287
35	Lounge Floor Tile	1999		2,964	296	10	296		1,334
36									

*Total beds on this schedule must agree with page 2.

**Improvement type must be detailed in order for the cost report to be considered complete

See Page 12A, Line 70 for total

SEE ACCOUNTANTS' COMPILATION REPORT

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar

	1	2	3	4	5	6	7	8	9	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation		
37	Rewire Building	1999	\$ 9,083	\$ 260	35	\$ 260		\$ 1,168		37
38	Heat exchanger for water heater	1999	1,660		5	332	332	1,494		38
39	Compressor and tank for freezer	1999	2,924		5	584	584	2,629		39
40	Plumbing Improvement	2000	2,833	283	10	283		991		40
41	Relocate 2nd floor sprinklers	2000	2,200	63	35	63		220		41
42	Water heater repairs	2000	3,831	766	5	766		2,682		42
43	Automatic door	2000	4,556	130	35	130		455		43
44	Install sprinklers	2001	6,082	608	10	608		1,571		44
45	Infrared curtains for elevator	2001	4,500	450	10	450		975		45
46	Elevator upgrade	2002	3,006	601	5	601		902		46
47	Condensor	2002	2,678	536	5	536		804		47
48	Resurfacing Parking Lot	2003	30,690	639	20	639		639		48
49	Plumbing loop repairs	2003	6,125	51	10	51		51		49
50	Fire alarm panel/call system	2003	8,495	389	20	389		389		50
51	Facility Rehab - Painting	2003	6,872	161	10	161		161		51
52	Facility Rehab - Floor Tile	2003	28,888	416	20	416		416		52
53	Nurse call system	2003	49,451	206	20	206		206		53
54	Brick paved sidewalk/entryway	2003	5,855	122	20	122		122		54
55	Facility redecorating - painting/wallpaper	2003	314,478	15,724	20	15,724		15,724		55
56	Fire alarm panel/call system	2003	276,327	13,816	20	13,816		13,816		56
57	Floor Tile	2003	58,720	2,936	20	2,936		2,936		57
58	Carpeting/cove base	2003	29,519	2,952	10	2,952		2,952		58
59										59
60										60
61										61
62										62
63										63
64										64
65										65
66										66
67										67
68										68
69										69
70	TOTAL (lines 4 thru 69)		\$ 5,196,982	\$ 64,633		\$ 172,445	\$ 107,812	\$ 2,433,837		70

SEE ACCOUNTANTS' COMPILATION REPORT

**Improvement type must be detailed in order for the cost report to be considered complete

XI. OWNERSHIP COSTS (continued)
 B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar

1	2	3	4	5	6	7	8	9	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
1	Totals from Page 12A, Carried Forward		\$ 5,196,982	\$ 64,633		\$ 172,445	\$ 107,812	\$ 2,433,837	1
2	Leasehold improvements - management company	1995	11,208		35	332	332	2,722	2
3	Leasehold improvements - management company	1996	9,121		35	270	270	1,955	3
4	Leasehold improvements - management company	1989	314		31	9	9	158	4
5	HVAC - management company	1998	236		35	7	7	40	5
6	Offices - management company	1999	596		35	18	18	77	6
7	Land improvements - management company	2002	27,870		15	826	826	3,561	7
8	Building - management company	2002	216,828		40	6,433	6,433	10,390	8
9	HVAC, electrical, security system - management company	2003	2,149		30	55	55	55	9
10									10
11									11
12									12
13									13
14									14
15									15
16									16
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26									26
27									27
28									28
29									29
30									30
31									31
32									32
33									33
34	TOTAL (lines 1 thru 33)		\$ 5,465,304	\$ 64,633		\$ 180,395	\$ 115,762	\$ 2,452,795	34

Facility Name & ID Number Lexington Health Care Center-Lombard

0028860

Report Period Beginning:

1/1/03

Ending:

12/31/03

XI. OWNERSHIP COSTS (continued)

C. Equipment Depreciation-Excluding Transportation. (See instructions.)

	Category of Equipment	1 Cost	Current Book Depreciation 2	Straight Line Depreciation 3	4 Adjustments	Component Life 5	Accumulated Depreciation 6	
71	Purchased in Prior Years	\$ 331,247	\$ 44,267	\$ 50,334	\$ 6,067	3-10 yrs	\$ 74,392	71
72	Current Year Purchases	25,807	1,342	1,342		3-5 yrs	1,342	72
73	Fully Depreciated Assets	1,032,976					1,032,976	73
74	Allocated from management company	198,468		20,641	20,641		65,776	74
75	TOTALS	\$ 1,588,498	\$ 45,609	\$ 72,317	\$ 26,708		\$ 1,174,486	75

D. Vehicle Depreciation (See instructions.)*

	1 Use	Model, Make and Year 2	Year Acquired 3	4 Cost	Current Book Depreciation 5	Straight Line Depreciation 6	7 Adjustments	Life in Years 8	Accumulated Depreciation 9	
76				\$	\$	\$	\$		\$	76
77										77
78										78
79	Allocated from management company			33,164		3,400	3,400		26,478	79
80	TOTALS			\$ 33,164	\$	\$ 3,400	\$ 3,400		\$ 26,478	80

E. Summary of Care-Related Assets

	1	2	
	Reference	Amount	
81	Total Historical Cost (line 3, col.4 + line 70, col.4 + line 75, col.1 + line 80, col.4) + (Pages 12B thru 12I, if applicable)	\$ 7,721,410	81
82	Current Book Depreciation (line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)	\$ 110,242	82
83	Straight Line Depreciation (line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)	\$ 256,112	83 **
84	Adjustments (line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable)	\$ 145,870	84
85	Accumulated Depreciation (line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable)	\$ 3,653,759	85

F. Depreciable Non-Care Assets Included in General Ledger. (See instructions.)

	1 Description & Year Acquired	2 Cost	Current Book Depreciation 3	Accumulated Depreciation 4	
86		\$	\$	\$	86
87					87
88					88
89					89
90					90
91	TOTALS	\$	\$	\$	91

G. Construction-in-Progress

	Description	Cost	
92		\$	92
93			93
94			94
95		\$	95

* Vehicles used to transport residents to & from day training must be recorded in XI-F, not XI-D.

** This must agree with Schedule V line 30, column 8.

SEE ACCOUNTANTS' COMPILATION REPORT

XII. RENTAL COSTS

A. Building and Fixed Equipment (See instructions.)

1. Name of Party Holding Lease: N/A

2. Does the facility also pay real estate taxes in addition to rental amount shown below on line 7, column 4? _____

If NO, see instructions.

☐ YES ☐ NO

		1 Year Constructed	2 Number of Beds	3 Date of Lease	4 Rental Amount	5 Total Years of Lease	6 Total Years Renewal Option*	
3	Original Building:				\$			3
4	Additions							4
5								5
6								6
7	TOTAL				\$			7

**

8. List separately any amortization of lease expense included on page 4, line 34.

This amount was calculated by dividing the total amount to be amortized
by the length of the lease _____.

9. Option to Buy: ☐ YES ☐ NO Terms: _____ *

B. Equipment-Excluding Transportation and Fixed Equipment. (See instructions.)

15. Is Movable equipment rental included in building rental?

☐ YES ☒ NO

16. Rental Amount for movable equipment: \$ 14,227 Description: Postage meter - \$410; Copier - \$9,082; Fax Machine - \$479; Allocated from management company - \$4,256
(Attach a schedule detailing the breakdown of movable equipment)

10. Effective dates of current rental agreement:

Beginning _____

Ending _____

11. Rent to be paid in future years under the current rental agreement:

Fiscal Year Ending Annual Rent

12. _____/2004 \$ _____

13. _____/2005 \$ _____

14. _____/2006 \$ _____

C. Vehicle Rental (See instructions.)

	1 Use	2 Model Year and Make	3 Monthly Lease Payment	4 Rental Expense for this Period	
17			\$	\$	17
18					18
19					19
20					20
21	TOTAL		\$	\$	21

* If there is an option to buy the building, please provide complete details on attached schedule.

** This amount plus any amortization of lease expense must agree with page 4, line 34.

SEE ACCOUNTANTS' COMPILATION REPORT

A. TYPE OF TRAINING PROGRAM (If aides are trained in another facility program, attach a schedule listing the facility name, address and cost per aide trained in that facility.)

1. HAVE YOU TRAINED AIDES DURING THIS REPORT PERIOD? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO It is the policy of this facility to only hire certified nurses aides. If "yes", please complete the remainder of this schedule. If "no", provide an explanation as to why this training was not necessary.	2. CLASSROOM PORTION: IN-HOUSE PROGRAM <input type="checkbox"/> IN OTHER FACILITY <input type="checkbox"/> COMMUNITY COLLEGE <input type="checkbox"/> HOURS PER AIDE _____	3. CLINICAL PORTION: IN-HOUSE PROGRAM <input type="checkbox"/> IN OTHER FACILITY <input type="checkbox"/> HOURS PER AIDE _____
---	---	--

B. EXPENSES

ALLOCATION OF COSTS (d)

		1	2	3	4
		Facility			
		Drop-outs	Completed	Contract	Total
1	Community College Tuition	\$	\$	\$	\$
2	Books and Supplies				
3	Classroom Wages (a)				
4	Clinical Wages (b)				
5	In-House Trainer Wages (c)				
6	Transportation				
7	Contractual Payments				
8	Nurse Aide Competency Tests				
9	TOTALS	\$	\$	\$	\$
10	SUM OF line 9, col. 1 and 2 (e)	\$			

- (a) Include wages paid during the classroom portion of training. Do not include fringe benefits.
 (b) Include wages paid during the clinical portion of training. Do not include fringe benefits.
 (c) For in-house training programs only. Do not include fringe benefits.
 (d) Allocate based on if the aide is from your facility or is being contracted to be trained in your facility. Drop-out costs can only be for costs incurred by your own aides.

C. CONTRACTUAL INCOME

In the box below record the amount of income your facility received training aides from other facilities.

\$ _____

D. NUMBER OF AIDES TRAINED

COMPLETED	
1. From this facility	
2. From other facilities (f)	
DROP-OUTS	
1. From this facility	
2. From other facilities (f)	
TOTAL TRAINED	

- (e) The total amount of Drop-out and Completed Costs for your own aides must agree with Sch. V, line 13, col. 8.
 (f) Attach a schedule of the facility names and addresses of those facilities for which you trained aides.
SEE ACCOUNTANTS' COMPILATION REPORT

XIV. SPECIAL SERVICES (Direct Cost) (See instructions.)

		1	2	3	4	5	6	7	8	
	Service	Schedule V Line & Column Reference	Staff		Outside Practitioner (other than consultant)		Supplies (Actual or) Allocated)	Total Units (Column 2 + 4)	Total Cost (Col. 3 + 5 + 6)	
			Units of Service	Cost	Units	Cost				
					Units	Cost				
1	Licensed Occupational Therapist	L10A, C3	hrs	\$	5,231	\$ 307,788	\$	5,231	\$ 307,788	1
2	Licensed Speech and Language Development Therapist	L10A, C3	hrs		1,248	91,220		1,248	91,220	2
3	Licensed Recreational Therapist		hrs							3
4	Licensed Physical Therapist	L10A, C3	hrs		8,917	398,719		8,917	398,719	4
5	Physician Care		visits							5
6	Dental Care		visits							6
7	Work Related Program		hrs							7
8	Habilitation		hrs							8
9	Pharmacy	L39, C2	# of prescripts				225,319		225,319	9
10	Psychological Services (Evaluation and Diagnosis/ Behavior Modification)		hrs							10
11	Academic Education		hrs							11
12	Exceptional Care Program									12
13	Other (specify):									13
14	TOTAL			\$	15,396	\$ 797,727	\$ 225,319	15,396	\$ 1,023,046	14

NOTE: This schedule should include fees (other than consultant fees) paid to licensed practitioners. Consultant fees should be detailed on Schedule XVIII-B. Salaries of unlicensed practitioners, such as nurse aides, who help with the above activities should not be listed on this schedule.

SEE ACCOUNTANTS' COMPILATION REPORT

STATE OF ILLINOIS

Page 17

Facility Name & ID Number Lexington Health Care Center-Lombard

0028860

Report Period Beginning: 1/1/03

Ending:

12/31/03

XV. BALANCE SHEET - Unrestricted Operating Fund.

As of 12/31/03

(last day of reporting year)

This report must be completed even if financial statements are attached.

		1 Operating	2 After Consolidation*	
	A. Current Assets			
1	Cash on Hand and in Banks	\$ 546,003	\$ 548,686	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance 381,492)	2,433,411	2,433,411	3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance	63,027	63,027	6
7	Other Prepaid Expenses			7
8	Accounts Receivable (owners or related parties)	80,331	80,331	8
9	Other(specify):			9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 3,122,772	\$ 3,125,455	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land		634,444	13
14	Buildings, at Historical Cost		3,661,473	14
15	Leasehold Improvements, at Historical Cost	1,338,672	1,803,831	15
16	Equipment, at Historical Cost	430,303	1,621,662	16
17	Accumulated Depreciation (book methods)	(399,877)	(3,653,759)	17
18	Deferred Charges			18
19	Organization & Pre-Operating Costs			19
20	Accumulated Amortization - Organization & Pre-Operating Costs			20
21	Restricted Funds			21
22	Other Long-Term Assets (specify):			22
23	Other(specify): Unamortized loan costs		13,091	23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$ 1,369,098	\$ 4,080,742	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 4,491,870	\$ 7,206,197	25

		1 Operating	2 After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	\$ 428,279	\$ 428,279	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits			28
29	Short-Term Notes Payable			29
30	Accrued Salaries Payable	249,779	249,779	30
31	Accrued Taxes Payable (excluding real estate taxes)	2,258	2,258	31
32	Accrued Real Estate Taxes(Sch.IX-B)		139,500	32
33	Accrued Interest Payable		10,100	33
34	Deferred Compensation			34
35	Federal and State Income Taxes			35
	Other Current Liabilities(specify):			
36	See attached Schedule E	150,513	167,089	36
37				37
38	TOTAL Current Liabilities (sum of lines 26 thru 37)	\$ 830,829	\$ 997,005	38
	D. Long-Term Liabilities			
39	Long-Term Notes Payable			39
40	Mortgage Payable		2,052,704	40
41	Bonds Payable			41
42	Deferred Compensation			42
	Other Long-Term Liabilities(specify):			
43				43
44				44
45	TOTAL Long-Term Liabilities (sum of lines 39 thru 44)	\$	\$ 2,052,704	45
46	TOTAL LIABILITIES (sum of lines 38 and 45)	\$ 830,829	\$ 3,049,709	46
47	TOTAL EQUITY (page 18, line 24)	\$ 3,661,041	\$ 4,156,488	47
48	TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47)	\$ 4,491,870	\$ 7,206,197	48

SEE ACCOUNTANTS' COMPILATION REPORT

*(See instructions.)

Lexington Health Care Center of Lombard, Inc.
Provider # 0028860
1/1/03 - 12/31/03

Schedule E

XV. Balance Sheet
C. Current Liabilities

36. Other Current Liabilities

Description	Operating	After Consolidation
Accrued Rent	48,424	
Accrued 401 (k) contribution	15,738	15,738
Other accrued expenses	45,791	45,791
Due to related party	40,560	40,560
Due to partners		65,000
Total line 36	150,513	167,089

XVII. Income Statement
E. Other Revenue

28. Other Revenue

Description	Amount
Service Availability Fee	546,040
Miscellaneous Income	1,974
Total line 28	548,014

See Accountants' Compilation Report

XVI. STATEMENT OF CHANGES IN EQUITY

		1 Total	
1	Balance at Beginning of Year, as Previously Reported	\$ 3,029,054	1
2	Restatements (describe):		2
3			3
4	Rounding	1	4
5			5
6	Balance at Beginning of Year, as Restated (sum of lines 1-5)	\$ 3,029,055	6
	A. Additions (deductions):		
7	NET Income (Loss) (from page 19, line 43)	2,696,073	7
8	Aquisitions of Pooled Companies		8
9	Proceeds from Sale of Stock		9
10	Stock Options Exercised		10
11	Contributions and Grants		11
12	Expenditures for Specific Purposes		12
13	Dividends Paid or Other Distributions to Owners	(2,064,087)	13
14	Donated Property, Plant, and Equipment		14
15	Other (describe)		15
16	Other (describe)		16
17	TOTAL Additions (deductions) (sum of lines 7-16)	\$ 631,986	17
	B. Transfers (Itemize):		
18			18
19			19
20			20
21			21
22			22
23	TOTAL Transfers (sum of lines 18-22)	\$	23
24	BALANCE AT END OF YEAR (sum of lines 6 + 17 + 23)	\$ 3,661,041	24

Operating Entity Only

* This must agree with page 17, line 47.

SEE ACCOUNTANTS' COMPILATION REPORT

STATE OF ILLINOIS

Page 19

Facility Name & ID Number Lexington Health Care Center-Lombard

0028860

Report Period Beginning: 1/1/03

Ending:

12/31/03

XVII. INCOME STATEMENT (attach any explanatory footnotes necessary to reconcile this schedule to Schedules V and VI.) All required classifications of revenue and expense must be provided on this form, even if financial statements are attached.

Note: This schedule should show gross revenue and expenses. Do not net revenue against expense.

1			
	Revenue	Amount	
A. Inpatient Care			
1	Gross Revenue -- All Levels of Care	\$ 11,390,669	1
2	Discounts and Allowances for all Levels	(876,452)	2
3	SUBTOTAL Inpatient Care (line 1 minus line 2)	\$ 10,514,217	3
B. Ancillary Revenue			
4	Day Care		4
5	Other Care for Outpatients		5
6	Therapy	1,399,353	6
7	Oxygen		7
8	SUBTOTAL Ancillary Revenue (lines 4 thru 7)	\$ 1,399,353	8
C. Other Operating Revenue			
9	Payments for Education		9
10	Other Government Grants		10
11	Nurses Aide Training Reimbursements		11
12	Gift and Coffee Shop	2,221	12
13	Barber and Beauty Care	51,379	13
14	Non-Patient Meals	78	14
15	Telephone, Television and Radio	96	15
16	Rental of Facility Space		16
17	Sale of Drugs	282,415	17
18	Sale of Supplies to Non-Patients		18
19	Laboratory	19,206	19
20	Radiology and X-Ray	6,901	20
21	Other Medical Services	142,102	21
22	Laundry	14,179	22
23	SUBTOTAL Other Operating Revenue (lines 9 thru 22)	\$ 518,577	23
D. Non-Operating Revenue			
24	Contributions		24
25	Interest and Other Investment Income***	13	25
26	SUBTOTAL Non-Operating Revenue (lines 24 and 25)	\$ 13	26
E. Other Revenue (specify):****			
27	Settlement Income (Insurance, Legal, Etc.)		27
28	See attached Schedule E	548,014	28
28a			28a
29	SUBTOTAL Other Revenue (lines 27, 28 and 28a)	\$ 548,014	29
30	TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)	\$ 12,980,174	30

2			
	Expenses	Amount	
A. Operating Expenses			
31	General Services	1,505,361	31
32	Health Care	4,568,636	32
33	General Administration	2,265,132	33
B. Capital Expense			
34	Ownership	1,468,395	34
C. Ancillary Expense			
35	Special Cost Centers	353,937	35
36	Provider Participation Fee	122,640	36
D. Other Expenses (specify):			
37			37
38			38
39			39
40	TOTAL EXPENSES (sum of lines 31 thru 39)*	\$ 10,284,101	40
41	Income before Income Taxes (line 30 minus line 40)**	2,696,073	41
42	Income Taxes		42
43	NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)	\$ 2,696,073	43

* This must agree with page 4, line 45, column 4.

** Does this agree with taxable income (loss) per Federal Income Tax Return? No If not, please attach a reconciliation.
This entity files a cash basis tax return.

*** See the instructions. If this total amount has not been offset against interest expense on Schedule V, line 32, please include a detailed explanation. SEE ACCOUNTANTS' COMPILATION REPORT

****Provide a detailed breakdown of "Other Revenue" on an attached sheet.

Facility Name & ID Number **Lexington Health Care Center-Lombard**# **0028860**Report Period Beginning: **1/1/03**Ending: **12/31/03**

12/31/03

XVIII. A. STAFFING AND SALARY COSTS (Please report each line separately.)

(This schedule must cover the entire reporting period.)

		1	2**	3	4	
		# of Hrs. Actually Worked	# of Hrs. Paid and Accrued	Reporting Period Total Salaries, Wages	Average Hourly Wage	
1	Director of Nursing	1,661	1,996	\$ 83,051	\$ 41.61	1
2	Assistant Director of Nursing	3,746	4,035	118,178	29.29	2
3	Registered Nurses	36,307	39,689	1,042,298	26.26	3
4	Licensed Practical Nurses	22,372	24,483	544,873	22.26	4
5	Nurse Aides & Orderlies	17,916	19,436	204,651	10.53	5
6	Nurse Aide Trainees					6
7	Licensed Therapist					7
8	Rehab/Therapy Aides	95,307	102,887	1,168,041	11.35	8
9	Activity Director	2,040	2,177	29,555	13.58	9
10	Activity Assistants	19,336	20,732	199,413	9.62	10
11	Social Service Workers	4,047	4,474	83,749	18.72	11
12	Dietician	1,929	2,123	28,056	13.22	12
13	Food Service Supervisor	1,826	2,064	32,247	15.62	13
14	Head Cook	1,754	2,046	36,592	17.88	14
15	Cook Helpers/Assistants	12,644	13,748	123,447	8.98	15
16	Dishwashers	17,324	18,794	120,090	6.39	16
17	Maintenance Workers	4,033	4,561	72,785	15.96	17
18	Housekeepers	35,793	38,671	266,608	6.89	18
19	Laundry	11,259	12,079	76,813	6.36	19
20	Administrator	2,140	2,340	112,434	48.05	20
21	Assistant Administrator					21
22	Other Administrative	714	717	94,211	131.40	22
23	Office Manager					23
24	Clerical	24,405	28,255	555,000	19.64	24
25	Vocational Instruction					25
26	Academic Instruction					26
27	Medical Director					27
28	Qualified MR Prof. (QMRP)					28
29	Resident Services Coordinator					29
30	Habilitation Aides (DD Homes)					30
31	Medical Records					31
32	Other Health Care(specify)					32
33	Other(specify)					33
34	TOTAL (lines 1 - 33)	316,553	345,307	\$ 4,992,092 *	\$ 14.46	34

* This total must agree with page 4, column 1, line 45.

** See instructions.

B. CONSULTANT SERVICES

		1	2	3	
		Number of Hrs. Paid & Accrued	Total Consultant Cost for Reporting Period	Schedule V Line & Column Reference	
35	Dietary Consultant	260	\$ 12,891	L1, C3	35
36	Medical Director	12	24,000	L9, C3	36
37	Medical Records Consultant	14	700	L10, C3	37
38	Nurse Consultant				38
39	Pharmacist Consultant	Monthly	1,200	L10, C3	39
40	Physical Therapy Consultant				40
41	Occupational Therapy Consultant				41
42	Respiratory Therapy Consultant				42
43	Speech Therapy Consultant				43
44	Activity Consultant	70	3,349	L11, C3	44
45	Social Service Consultant	Monthly	2,203	L12, C3	45
46	Other(specify)				46
47					47
48					48
49	TOTAL (lines 35 - 48)	356	\$ 44,343		49

C. CONTRACT NURSES

		1	2	3	
		Number of Hrs. Paid & Accrued	Total Contract Wages	Schedule V Line & Column Reference	
50	Registered Nurses		\$		50
51	Licensed Practical Nurses		N/A		51
52	Nurse Aides				52
53	TOTAL (lines 50 - 52)		\$		53

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lexington Health Care Center-Lombard

XIX. SUPPORT SCHEDULES

[illegible]

* Attach copy of IMRF notifications
SEE ACCOUNTANTS' COMPILATION REPORT

****See instructions.**

Lexington Health Care Center of Lombard, Inc.**Provider # 0028860****1/1/03 - 12/31/03****Schedule F**

XIX. Support Schedules

C. Professional Services

<u>Vendor/Payee</u>	<u>Type</u>	<u>Amount</u>
Carol Jeschke	Staffing Consultant	4,286
Information Controls, Inc.	Computer Consultant	1,156
Gigatrend	Computer Consultant	195
Action Computer Services	Computer Consultant	346
Advanced Answers on Demand, Inc.	Computer Consultant	2,652
E Health Data Solutions	Computer Consultant	1,080
Krakau Business Corp.	Computer Consultant	493
Administar	Computer Consultant	378
Cash receipts	Collections	1,574
		<u>12,160</u>
<u>Total, Agrees to Schedule V, Line 19, Column 3</u>		<u>54,109</u>

Allocated from management co:

American Express Tax & Business Services	Accounting	623
Personnel Planners	U/C Consulting	27
Gilson, Labus and Silverman	Accounting	57
James Samatas	Legal	77
Katten, Muchin, Zavis and Rosenman	Legal	72
Sachnoff and Weaver	Legal	566
ING / Pension Administrators	401 (k) Administration	764
Various	Consulting	674
Various	Computer Consulting	8,740

Allocated from building partnership:

James Samatas	Filing and recording fees	318
---------------	---------------------------	-----

Nonallowable legal fees:

Freedman, Anselmo, & Lindberg	Legal-collection fees	(491)
Various Collections	Collection fees	(1,575)
Katten, Muchin, Zavis & Rosenman	Out of Period legal fees	(286)

<u>Total, Agrees to Schedule V, Line 19, Column 8</u>	<u>63,675</u>
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See accountants' compilation report

XIX-H. SUPPORT SCHEDULE - DEFERRED MAINTENANCE COSTS (which have been included in Sch. V, line 6, col. 3).
(See instructions.)

	1 Improvement Type	2 Month & Year Improvement Was Made	3 Total Cost	4 Useful Life	5 6 7 8 9 10 11 12 13 Amount of Expense Amortized Per Year								
					FY2000	FY2001	FY2002	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008
1	Painting & Decorating	2000	\$ 16,681	36 mo.	\$ 2,780	\$ 5,560	\$ 5,560	\$ 2,781	\$	\$	\$	\$	\$
2													
3													
4													
5													
6													
7													
8													
9													
10													
11													
12													
13													
14													
15													
16													
17													
18													
19													
20	TOTALS		\$ 16,681		\$ 2,780	\$ 5,560	\$ 5,560	\$ 2,781	\$	\$	\$	\$	\$

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lexington Health Care Center-Lombard

STATE OF ILLINOIS

0028860

Report Period Beginning:

1/1/03

Ending:

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12/31/03

XX. GENERAL INFORMATION:

- (1) Are nursing employees (RN,LPN,NA) represented by a union? No
- (2) Are there any dues to nursing home associations included on the cost report? No
If YES, give association name and amount. N/A
- (3) Did the nursing home make political contributions or payments to a political organization? No If YES, have these costs been properly adjusted out of the cost report? N/A
- (4) Does the bed capacity of the building differ from the number of beds licensed at the end of the fiscal year? No If YES, what is the capacity? N/A
- (5) Have you properly capitalized all major repairs and equipment purchases? Yes
What was the average life used for new equipment added during this period? 4 yrs
- (6) Indicate the total amount of both disposable and non-disposable diaper expense and the location of this expense on Sch. V. \$ 58,946 Line 10
- (7) Have all costs reported on this form been determined using accounting procedures consistent with prior reports? Yes If NO, attach a complete explanation.
- (8) Are you presently operating under a sale and leaseback arrangement? No
If YES, give effective date of lease. N/A
- (9) Are you presently operating under a sublease agreement? YES X NO
- (10) Was this home previously operated by a related party (as is defined in the instructions for Schedule VII)? YES NO X If YES, please indicate name of the facility, IDPH license number of this related party and the date the present owners took over N/A
- (11) Indicate the amount of the Provider Participation Fees paid and accrued to the Department of Public Aid during this cost report period. \$ 122,640
This amount is to be recorded on line 42 of Schedule V.
- (12) Are there any salary costs which have been allocated to more than one line on Schedule V for an individual employee? No If YES, attach an explanation of the allocation.

SEE ACCOUNTANTS' COMPILATION REPORT

- (13) Have costs for all supplies and services which are of the type that can be billed to the Department of Public Aid, in addition to the daily rate, been properly classified in the Ancillary Section of Schedule V? Yes
- (14) Is a portion of the building used for any function other than long term care services for the patient census listed on page 2, Section B? No For example, is a portion of the building used for rental, a pharmacy, day care, etc.) If YES, attach a schedule which explains how all related costs were allocated to these functions
- (15) Indicate the cost of employee meals that has been reclassified to employee benefit: on Schedule V. \$ 11,807 Has any meal income been offset against related costs? Yes Indicate the amount. \$ 78
- (16) Travel and Transportation
a. Are there costs included for out-of-state travel? No
If YES, attach a complete explanation.
b. Do you have a separate contract with the Department to provide medical transportation for residents? No If YES, please indicate the amount of income earned from such a program during this reporting period. \$ N/A
c. What percent of all travel expense relates to transportation of nurses and patients? 0
d. Have vehicle usage logs been maintained? Adequate records have been maintained.
e. Are all vehicles stored at the nursing home during the night and all other times when not in use? Yes
f. Has the cost for commuting or other personal use of autos been adjusted out of the cost report? N/A
g. Does the facility transport residents to and from day training? No
Indicate the amount of income earned from providing such transportation during this reporting period. \$ N/A
- (17) Has an audit been performed by an independent certified public accounting firm? No
Firm Name: N/A The instructions for the cost report require that a copy of this audit be included with the cost report. Has this copy been attached? N/A If no, please explain. N/A
- (18) Have all costs which do not relate to the provision of long term care been adjusted out of Schedule V? Yes
- (19) If total legal fees are in excess of \$2500, have legal invoices and a summary of services performed been attached to this cost report? Yes
Attach invoices and a summary of services for all architect and appraisal fees.

RECONCILIATION REPORT

Lexington Health Care (12:21 PM 11/4/2005

ITEM	Value 1	Cond.	Value 2	Difference	RESULTS
Adjustment Detail	-1,290,425	equal to	-1,290,425	0	O.K.
Interest Expense	203,248	equal to	203,248	0	O.K.
Real Estate Tax Expenses	141,604	equal to	141,604	0	O.K.
Amortization exp. Pre-opening & org.	N/A	equal to	0	#VALUE!	#VALUE! ok
Ownership Costs-Depreciation	256,112	equal to	256,112	0	O.K.
Rental Costs A	0	equal to	0	0	O.K.
Rental Costs B	14,227	equal to	14,227	0	O.K.
Nurse Aid Training Prog.	0	equal to	0	0	O.K.
Special Serv.- Staff Wages		equal to		0	O.K.
Therapy Services	797,727	equal to	797,727	0	O.K.
Special Serv.- Supplies	225,319	equal to	225,319	0	O.K.
Income Stat. General Serv.	1,505,361	equal to	1,505,361	0	O.K.
Income Stat. Health Care	4,568,636	equal to	4,568,636	0	O.K.
Income Stat. Administation	2,265,132	equal to	2,265,132	0	O.K.
Income Stat. Ownership	1,468,395	equal to	1,468,395	0	O.K.
Income Stat. Special Cost Ctr	353,937	equal to	353,937	0	O.K.
Income Stat. Prov. Partic.	122,640	equal to	122,640	0	O.K.
Staff- Nursing	1,993,051	equal to	3,161,092	-1,168,041	FAILED ok, rehab aids on pg. 20, line 8 for \$1,168,041
Staff- Nurse aide Training	0	< or = to		0	O.K.
Staff-Licensed Therapist	0	equal to		0	O.K.
Staff- Activities	228,968	equal to	228,968	0	O.K.
Staff- Social Serv. Workers	83,749	equal to	83,749	0	O.K.
Staff- Dietary	340,432	equal to	340,432	0	O.K.
Staff- Maintenance	72,785	equal to	72,785	0	O.K.
Staff- Housekeeping	266,608	equal to	266,608	0	O.K.
Staff- Laundry	76,813	equal to	76,813	0	O.K.
Staff- Administrative	206,645	equal to	206,645	0	O.K.
Staff- Clerical	555,000	equal to	555,000	0	O.K.
Staff- Medical Director	0	equal to		0	O.K.
Total Salaries And Wages	4,992,092	equal to	4,992,092	0	O.K.
Dietary Consultant	12,891	< or = to	12,891	0	O.K.
Medical Director	24,000	< or = to	24,000	0	O.K.
Consultants & contractors	1,900	< or = to	43,537	-41,637	O.K. OK - includes other consultant expenses
Activity Consultant	3,349	< or = to	3,349	0	O.K.
Social Service Consultant	2,203	< or = to	2,203	0	O.K.
Supp. Sched.- Admin. Salar.	206,645	equal to	206,645	0	O.K.
Supp. Sched.- Admin. Other	468,967	equal to	468,967	0	O.K.
Supp. Sched.- Prof. Serv.	54,109	equal to	54,109	0	O.K.
Professional Fees - pg.3, column 8/Sch F	63,675	equal to	63,675	0	O.K.
Supp. Sched.- Benefit/Taxes	779,546	equal to	779,546	0	O.K.
Supp. Sched.- Sched of dues..	17,213	equal to	17,213	0	O.K.
Supp. Sched.- Sched. of trav	7,460	equal to	7,460	0	O.K.
Gen. Info - Particip. Fees	122,640	equal to	122,640	0	O.K.
Gen. Info - Employee Meals	11,807	< or = to	80,419	-68,612	O.K. ok
Gen. Info - Employee Meals	11,807	equal to	11,807	0	O.K.
Nurse aide training	0	equal to		0	O.K.
Days of medicare provided	8,447	equal to	9,516	-1,069	FAILED ok - included only medicare days
Adjustment for related org. costs	-1,180,929	equal to	-1,180,929	0	O.K.
Total loan balance	2,052,704	equal to	2,052,704	0	O.K.
Real estate tax accrual	139,500	equal to	139,500	0	O.K.
Land	634,444	equal to	634,444	0	O.K.
Building cost	5,465,304	equal to	5,465,304	0	O.K.
Equipment and vehicle cost	1,621,662	equal to	1,621,662	0	O.K.
Accumulated depr.	3,653,759	equal to	3,653,759	0	O.K.
End of year equity	3,661,041	equal to	3,661,041	0	O.K.
Net income (loss)	2,696,073	equal to	2,696,073	0	O.K.
Unamortized deferred maint. cost	0	equal to		0	O.K.
Balance Sheet	4,491,870	equal to	4,491,870	0	O.K.

Enter One Center Expenses	YOU MUST CHECK THE SUPPORT CLASS. That is, I am		12/31/24 PM
File number	Name	Agency Name	Center Address
Cost report number	From	To	Base Number
File no. or OF-200 facility, enter a 1 or 0			
Contracted last day	01/20/2025	70.001	Rate of occupancy 02.00%
Class: Patient Day Expenses	0		
Card Services Salary/Wage	700.000 Card 1, Line 8 - (check 0)		
Card Admin Salary/Wage	700.000 Card 1, Line 28 - (check 0)		
Total Salary/Wage	4,000.000 Card 1, Line 40 - (check 0)		
Employee Benefits	700.000 Card 1, Line 32 - (check 0)		
Total General Services	4,000.000 Card 1, Line 8 - (check 0)		
Total General Admin	4,000.000 Card 1, Line 28 - (check 0)		

[illegible]

Year	Information Modules		
	Basic	General	Specialized
2002	1 174	1 174	1 174
2003	1 174	1 174	1 174
2004	1 174	1 174	1 174
2005	1 174	1 174	1 174
2006	1 174	1 174	1 174
2007	1 174	1 174	1 174
2008	1 174	1 174	1 174
2009	1 174	1 174	1 174
2010	1 174	1 174	1 174
2011	1 174	1 174	1 174
2012	1 174	1 174	1 174
2013	1 174	1 174	1 174
2014	1 174	1 174	1 174
2015	1 174	1 174	1 174
2016	1 174	1 174	1 174
2017	1 174	1 174	1 174
2018	1 174	1 174	1 174
2019	1 174	1 174	1 174
2020	1 174	1 174	1 174
2021	1 174	1 174	1 174
2022	1 174	1 174	1 174
2023	1 174	1 174	1 174
2024	1 174	1 174	1 174
2025	1 174	1 174	1 174
2026	1 174	1 174	1 174
2027	1 174	1 174	1 174
2028	1 174	1 174	1 174
2029	1 174	1 174	1 174
2030	1 174	1 174	1 174
2031	1 174	1 174	1 174
2032	1 174	1 174	1 174
2033	1 174	1 174	1 174
2034	1 174	1 174	1 174
2035	1 174	1 174	1 174
2036	1 174	1 174	1 174
2037	1 174	1 174	1 174
2038	1 174	1 174	1 174
2039	1 174	1 174	1 174
2040	1 174	1 174	1 174
2041	1 174	1 174	1 174
2042	1 174	1 174	1 174
2043	1 174	1 174	1 174
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2074	1 174	1 174	1 174
2075	1 174	1 174	1 174
2076	1 174	1 174	1 174
2077	1 174	1 174	1 174
2078	1 174	1 174	1 174
2079	1 174	1 174	1 174
2080	1 174	1 174	1 174
2081	1 174	1 174	1 174
2082	1 174	1 174	1 174

Total:

2006	Review 2006	75th	100th
Percentage	Percent of Population	Percentage	Percentage
44.44	44.44%	2	100.00%
34.77	2.65%	3	100.00%
26.73	2.36%	3	100.00%
34.77	2.65%	4	100.00%
27.63	2.65%	5	100.00%
34.76	0.07%	6	100.00%
34.76	0.07%	7	100.00%
34.76	0.07%	8	100.00%
36.57	4.17%	9	100.00%
38.45	4.94%	10	100.00%
28.88	4.94%	11	100.00%

Downloaded At: 11:53 11 September 2009

2016	Revised 2016
Percentage	Per Capita
41.00	4,400
26.67	3,700
26.64	3,600
26.67	3,700
23.76	3,400
31.64	4,500
31.64	4,500
31.64	4,500
29.32	4,000
27.00	3,800
26.62	3,600

	Salaries	Supplies	Other	Total	Reclass- ifications	Reclassified Total	Adjusted Adjustments	Adjusted Total
1. Dietary	340,432	31,494	12,891	384,817	0	384,817	0	384,817
2. Food Purchase	0	297,330	0	297,330	0	297,330	-11,885	285,445
3. Housekeeping	266,608	34,758	0	301,366	0	301,366	390	301,756
4. Laundry	76,813	22,191	0	99,004	0	99,004	-14,179	84,825
5. Heat and Other Utilities	0	0	243,366	243,366	0	243,366	3,911	247,277
6. Maintenance	72,785	0	106,693	179,478	0	179,478	5,269	184,747
7. Other (specify)*	0	0	0	0	0	0	0	0
8. Total General Services	756,638	385,773	362,950	1,505,361	0	1,505,361	-16,494	1,488,867
9. Medical Director	0	0	24,000	24,000	0	24,000	0	24,000
10. Nursing & Medical Records	3,161,092	207,114	43,537	3,411,743	0	3,411,743	0	3,411,743
10a. Therapy	0	0	797,727	797,727	0	797,727	0	797,727
11. Activities	228,968	16,897	3,349	249,214	0	249,214	0	249,214
12. Social Services	83,749	0	2,203	85,952	0	85,952	0	85,952
13. Nurse Aide Training	0	0	0	0	0	0	0	0
14. Program Transportation	0	0	0	0	0	0	0	0
15. Other (specify)*	0	0	0	0	0	0	0	0
16. Total Health Care & Programs	3,473,809	224,011	870,816	4,568,636	0	4,568,636	0	4,568,636
17. Administrative	206,645	0	468,967	675,612	0	675,612	-468,967	206,645
18. Directors Fees	0	0	0	0	0	0	0	0
19. Professional Services	0	0	54,109	54,109	0	54,109	9,566	63,675
20. Fees, Subscriptions & Promotion	0	0	16,357	16,357	0	16,357	856	17,213
21. Clerical & General Office	555,000	39,187	24,916	619,103	0	619,103	22,716	641,819
22. Employee Benefits & Payroll	0	0	699,127	699,127	0	699,127	80,419	779,546
23. Inservice Training & Education	0	0	0	0	0	0	0	0
24. Travel and Seminar	0	0	4,492	4,492	0	4,492	2,968	7,460
25. Other Admin. Staff Trans	0	0	0	0	0	0	9,803	9,803
26. Insurance-Prop.Liab.Malpractice	0	0	196,332	196,332	0	196,332	3,839	200,171
27. Other (specify)*	0	0	0	0	0	0	0	0
28. Total General Adminis	761,645	39,187	1,464,300	2,265,132	0	2,265,132	-338,800	1,926,332
29. Total General Administrative	4,992,092	648,971	2,698,066	8,339,129	0	8,339,129	-355,294	7,983,835
30. Depreciation	0	0	110,242	110,242	0	110,242	145,870	256,112
31. Amortization of Pre-Op. & Org.	0	0	0	0	0	0	0	0
32. Interest	0	0	8,502	8,502	0	8,502	194,746	203,248
33. Real Estate	0	0	0	0	0	0	141,604	141,604
34. Rent - Facility & Grounds	0	0	1,339,680	1,339,680	0	1,339,680	-1,339,680	0
35. Rent - Equipment & Vehicles	0	0	9,971	9,971	0	9,971	4,256	14,227
36. Other (specify):*	0	0	0	0	0	0	0	0
37. Total Ownership	0	0	1,468,395	1,468,395	0	1,468,395	-853,204	615,191
38. Medically Necessary T	0	0	0	0	0	0	0	0
39. Ancillary Service Cent	0	225,319	0	225,319	0	225,319	0	225,319
40. Barber and Beauty Shop	0	0	44,570	44,570	0	44,570	0	44,570
41. Coffee and Gift Shops	0	0	2,121	2,121	0	2,121	0	2,121
42. Provider Participation	0	0	122,640	122,640	0	122,640	0	122,640
43. Other (specify):*	0	0	81,927	81,927	0	81,927	-81,927	0
44. Total Special Cost Ce	0	225,319	251,258	476,577	0	476,577	-81,927	394,650
45. Grand Total	4,992,092	874,290	4,417,719	10,284,101	0	10,284,101	-1,290,425	8,993,676

	Operating	After Consolidation
General Service Cost Center		
1. Cash on hand and in banks	546,003	548,686
2. Cash - Patient Deposits	0	0
3. Accounts & Notes Receivable	2,433,411	2,433,411
4. Supply Inventory	0	0
5. Short-Term Investments	0	0
6. Prepaid Insurance	63,027	63,027
7. Other Prepaid Expenses	0	0
8. Accounts Receivable-Owner/Related Party	80,331	80,331
9. Other (specify):	0	0
10. Total current assets	3,122,772	3,125,455
LONG TERM ASSETS		
11. Long-Term Notes Receivable	0	0
12. Long-Term Investments	0	0
13. Land	0	634,444
14. Buildings, at Historical Cost	0	3,661,473
15. Leasehold Improvements, Historical Cost	1,338,672	1,803,831
16. Equipment, at Historical Cost	430,303	1,621,662
17. Accumulated Depreciation (book methods)	-399,877	-3,653,759
18. Deferred Charges	0	0
19. Organization & Pre-Operating Costs	0	0
20. Accum Amort - Org/Pre-Op Costs	0	0
21. Restricted Funds	0	0
22. Other Long-Term Assets (specify):	0	0
23. other (specify):	0	13,091
24. Total Long-Term Assets	1,369,098	4,080,742
25. Total Assets	4,491,870	7,206,197
CURRENT LIABILITIES		
26. Accounts Payable	428,279	428,279
27. Officer's Accounts Payable	0	0
28. Accounts Payable-Patients Deposits	0	0
29. Short-Term Notes Payable	0	0
30. Accrued Salaries Payable	249,779	249,779
31. Accrued Taxes Payable	2,258	2,258
32. Accrued Real Estate Taxes	0	139,500
33. Accrued Interest Payable	0	10,100
34. Deferred Compensation	0	0
35. Federal and State Income Taxes	0	0
36. Other Current Liabilities (specify):	150,513	167,089
37. Other Current Liabilities (specify):	0	0
38. Total Current Liabilities	830,829	997,005
LONG TERM LIABILITES		
39. Long-Term Notes Payable	0	0
40. Mortgage Payable	0	2,052,704
41. Bonds Payable	0	0
42. Deferred Compensation	0	0
43. Other Long-Term Liabilities (specify):	0	0
44. Other Long-Term Liabilities (specify):	0	0
45. Total Long-Term Liabilities	0	2,052,704
46. Total Liabilities	830,829	3,049,709
47. Total Equity	3,661,041	4,156,488
48. Total Liabilities and Equity	4,491,870	7,206,197

	Balance per Medicaid Trial Balance
1. Gross Revenue - All levels of Care	11,390,669
2. Discounts and Allowances for all Levels	-876,452
Subtotal - Inpatient Care	10,514,217
4. Day Care	0
5. Other Care for Outpatients	0
6. Therapy	1,399,353
7. Oxygen	0
Subtotal - Ancillary Revenue	1,399,353
9. Payments for Education	0
10. Other Governmental Grants	0
11. Nurses Aide Training Reimbursements	0
12. Gift and Coffee Shop	2,221
13. Barber and Beauty Care	51,379
14. Non-Patient Meals	78
15. Telephone, Television, and Radio	96
16. Rental of Facility Space	0
17. Sale of Drugs	282,415
18. Sale of Supplies to Non-Patients	0
19. Laboratory	19,206
20. Radiology and X-Ray	6,901
21. Other Medical Services	142,102
22. Laundry	14,179
Subtotal - Other Operating Revenue	518,577
24. Contributions	0
25. Interest and Other Investments Income	13
Subtotal - Non-Operating Revenue	13
27. Other Revenue (specify):	548,014
28. Other Revenue (specify):	0
Subtotal - Other Revenue	548,014
30. Total Revenue	12,980,174
31. General Services	1,505,361
32. Health Care	4,568,636
33. General Administration	2,265,132
34. Ownership	1,468,395
35. Special Cost Centers	353,937
35. Provider Participation Fee	122,640
37. Other	0
40. Total Expenses	10,284,101
41. Income Before Income Taxes	2,696,073
42. Income Taxes	0
43. Net Income or Loss for the Year	2,696,073

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23 Provider Participation fee is linked from page 4